

SEPTEMBER 2015 QUARTER ACTIVITIES AND  
CASHFLOW REPORT

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ASX RELEASE

## ASX CODE: CSD



## ABOUT CSD

Consolidated Tin Mines (ASX: CSD) has a significant tin project in advanced stage DFS and manages base metals producing assets



## SHARES ON REGISTER

279,770,521

## TOP 5 SHAREHOLDERS

Snow Peak Int'l	22.8%
ARM (NQ) Pty Ltd	11.6%
Ralph De Lacey	5.8%
HSBC Cust Ltd	2.0%
Baoxian Ji	1.9%



## OBJECTIVE

To become a fully diversified producer of base metals in concentrate and to develop the tin project through to production thus minimising metal price fluctuation risk



## STRATEGY

To develop and establish tin production and focus on increasing mine life and production profile by developing other tin and base metal production opportunities within the broader Mt Garnet/ Greenvale/Einasleigh region



## Snapshot:

Current CSD Share Price: **\$0.050**Current LME Price Tin: **US\$15,280**Zinc: **US\$1,708**Copper: **US\$5,179**Lead: **US\$1,718**About Consolidated Tin Mines

Consolidated Tin Mines (ASX: CSD) is finalising the acquisition and transfer of all assets held by SPM under an Asset Sale Agreement (ASA) set out in a notice of meeting release to the ASX on 1<sup>st</sup> December 2014. When complete, the Company will become a base metals producer, producing Zinc, Lead and Copper concentrates with a Silver co-product. During the transitional period the company manages the SPM operations which produce polymetallic ore with the ore processed at the Mount Garnet concentrator located approximately 140kms south west of Cairns. The Company, through a free carry farm-in agreement over SPM's Exploration tenures, is actively exploring within the highly prospective Einasleigh/Greenvale areas. The Company is also a focused tin explorer and developer, with its major tin development project, comprising of the Gillian and Pinnacle deposits, located in Mount Garnet. All CSD's projects are located in established mining areas of North Queensland and are in close proximity to SPM's operating concentrating infrastructure.

## September Quarter 2015

Snow Peak Mining Pty Ltd Asset Acquisition

Settlement of the SPM asset acquisition is planned to be completed in the second quarter of FY 2015/2016. CSD is actively working with related parties to complete settlement.

Base Metals Production

During the September Quarter 141,931 tonnes of ore was produced from SPM mine sites and transported to the Mt Garnet processing plant. 13,523 DMT of Zinc concentrate, 2,279 DMT of lead concentrate and 2,004 DMT tonnes of copper concentrate was hauled to Townsville Port for export.

The Mt Garnet concentrator is operating continuously with a through-put of approximately 1,361 ore tonnes per day. Mt Garnet Mine is continuing to operate 24/7 whilst the Surveyor Mine transitioned into full time care and maintenance in early September.

## Registered Office:

395 Lake Street,  
Cairns North, QLD, 4870  
Ph: +61 (0) 7 4032 3319

<b>Mt Garnet Processing Plant</b>		<b>Amount</b>
<b>Jul – Sep 15</b>		
Average Processed Tonnes Per Hour	(t)	60.2
Average Daily Ore Processed	(DMT)	1,361
Average Daily Concentrate Zn	(DMT)	148
Average Daily Concentrate Pb	(DMT)	18
Average Daily Concentrate Cu	(DMT)	22
Zn Metal Tonnes Produced	(t)	6,489
Zn Average Feed Grade	%	6.1
Pb Metal Tonnes Produced	(t)	1,033
Pb Average Feed Grade	%	1.3
Cu Metal Tonnes Produced	(t)	484
Cu Average Feed Grade	%	0.66
Ag Metal Ounces (Troy) Produced	(oz)	51,001
Concentrate Hauled to Townsville Port Jul – Sep 15	(DMT)	17,806

Two shipments of concentrate were exported in the September Quarter:

- MV Thorco Liva – 10,735 wmt Zn Concentrate
- MV BCC Holland – 3,734 wmt Pb Concentrate

### **Mt Garnet Tin Project Definitive Feasibility (DFS) Study Progress**

Pilot test work was conducted at FEECO International, Green Bay Wisconsin during the month of September. Data from the pilot test work along with vendor proposals are being collated and the DFS is being progressed. The DFS is planned to be released in November and continues to be funded by revenue from the management of the SPM production assets.

### **Exploration Activity – SPM Exploration Tenure**

Wanguo commenced the 2015 exploration season in May with a team of eight experienced technical personnel establishing a field camp at Einasleigh. Several drill targets were identified within the Regional Exploration drilling program area, with an initial drill program of 2,300 metres commencing in July 2015.

#### **Highlights from drill hole KB150 include:**

- 9m @ 1.23% Cu and 0.12 g/t Au from 142m depth down hole including 4m @ 2.4% Cu
- 30m @ 1.03% Cu and 0.17g/t Au from 157m depth down hole
- 24m @ 1.25% Cu and 0.28 g/t Au from 201m depth down hole including 5m @ 2.79% Cu

**Highlights from drill hole KB151 include:**

- 11m @ 1.46% Cu and 0.29 g/t Au from 300m depth down hole, including 2m @ 5.61% Cu and 1.21 g/t Au

**Highlights from drill hold JA086B include:**

- 2m @ 5.1% Zn, 1.0% Pb and 62 g/t Ag from 159m depth down hole
- 11m @ 4.7% Zn, 2.1% Pb and 32.1 g/t Ag from 163m depth down hole, including 3 m @ 6.73% Zn, 4.59% Pb and 33.6 g/t Ag

Further assay details are available in ASX releases dated 8<sup>th</sup> October 2015 and 15<sup>th</sup> October 2015.

Planning is ongoing for further ground based IP, magnetic surveys and drilling for known resource areas of Kaiser Bill, Chloe/Jackson, and also within the Surveyor/Balcooma areas.

Costs, environmental and reporting requirements will continue to be funded and managed for all exploration activities by Wanguo International Mining Group, through the farm-in agreement with Snow Peak Mining Pty Ltd. This agreement will transfer to CSD upon completion of the Asset Sale Agreement set out in the Notice of Meeting dated 1<sup>st</sup> December 2014.

**Upcoming Activities**

- Mining and Processing of base metals continues.
- The DFS for the Mt Garnet Tin Project is progressing and being funded by revenue from the management of the SPM production assets.
- Finalisation of the SPM assets transfer and settlement

*The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.*

## **Corporate**

Mr Andrew Kerr, a Non-Executive Director of the Company since 28 September 2007, resigned from the Board effective 11 September 2015.

During the quarter the Company issued 200,000 ordinary fully paid shares to its corporate and investor relations advisers as an incentive.

The Board continues to investigate and evaluate a number of funding options to secure the Company's continued growth and diversification strategy.

### **1 SECURITY HOLDERS**

Total ordinary shares on issue 279,970,521.

Total options on issue 22,489,450.

#### **Top 5 Shareholders at 30 September 2015**

Shareholder	% Of Issued Capital
Snow Peak International Investments Ltd	22.75
ARM (NQ) Pty Ltd	11.56
De Lacey Ralph + Ryan M	5.80
HSBC Custody Nom Aust Ltd	2.03
JI Baoxian	1.89

### **2 CASH RESERVES & LOAN FACILITIES**

The Company had A\$1.107 million in cash reserves at the end of the September quarter. As at 30 September 2015, the Company had available the \$1million loan facility from ARM (NQ) Pty Ltd, an entity associated with Mr Ralph De Lacey and Alex Tsoi Co-Executive Chairpersons of the Company, and Mr Martin Cai, Executive Director and CFO of the Company.

The ARM loan facility remains undrawn at the end of the September quarter.

For further information, please contact:

Cairns Corporate Headquarters

Phone: +61 (0) 7 4032 3319

Website: [www.csdtin.com.au](http://www.csdtin.com.au)

Email: [admin@csdtin.com.au](mailto:admin@csdtin.com.au)

**Table 1: Schedule of Tenements**

Registered Holder	Tenement No.	Tenement Name	Interest at start of quarter	Interest at end of quarter	Status
Consolidated Tin Mines	MDL 38	Gillian	100%	100%	Granted
	MDL 381	Windermere	100%	100%	Granted
	MDL 448	Herberton Deep Lead	0%	100%	Granted
	MDL 482	Jeannie River	100%	100%	Granted
	EPM 14185	Mt Garnet	100%	100%	Granted
	EPM 14580	Jeannie River	100%	0%	Surrender
	EPM 15611	Lynd River	100%	100%	Granted
	EPM 17073	Mt Garnet Extended	100%	100%	Granted
	EPM 17547	Tate River Extended	100%	100%	Granted
	EPM 17548	Petford East	100%	100%	Granted
	EPM 17550	Herberton Extended	100%	100%	Granted
	EPM 17551	Smiths Creek	100%	100%	Granted
	EPM 17623	Mt Garnet West	100%	100%	Granted
	EPM 17753	Mt Garnet Nth West	100%	100%	Granted
	EPM 17875	Lynd River Extended	100%	100%	Granted
	EPM 17917	Smith's Creek Extended	100%	100%	Granted
	EPM 18000	Mt Garnet East	100%	100%	Granted
	EPM 18118	Bolwarra	100%	100%	Granted
	EPM 18321	Mt Garnet South	100%	100%	Granted
	EPM 18795	Gillian	100%	100%	Granted
	EPM 19105	Jimilly North	0%	100%	Granted
	EPM 19204	Nettle Creek South	0%	100%	Granted
	EPM 19323	Kangaroo Creek	100%	100%	Granted
	EPM 19468	Jeannie River Extended	100%	100%	Granted
	EPM 19603	Dinner Creek	100%	100%	Granted
	EPM 25386	Spring Creek	100%	100%	Granted
	EPM 25427	Nettle Creek	0%	100%	Granted
	EPM 25428	Reedy Creek	100%	100%	Granted
	EPM 25689	Twelve Mile	0%	100%	Granted
	EPM 25702	Soda	0%	100%	Granted
	EPMA 25711	Brownville	0%	0%	Application
	MLA 20583	Mid Battle Creek	0%	0%	Application
	MLA 20584	Nettle Creek Extended	0%	0%	Application
	MLA 20585	Upper Battle Creek	0%	0%	Application
	MLA 20653	Central Mill	0%	0%	Surrender
	MLA 20693	Pinnacles	0%	0%	Application
	MLA 20694	Windermere	0%	0%	Application
	ML 20743	Gillian	0%	100%	Granted
	MLA 100022	Maitland	0%	0%	Application

Registered Holder	Tenement No.	Tenement Name	Interest at start	Interest at end	Status
CTM Alluvial Pty Ltd	ML 4069	Nettle Creek	100%	100%	Granted
	ML 4073	Nettle Creek	100%	100%	Granted
	ML 4074	Nettle Creek	100%	100%	Granted
	MLA 20544	Return Creek	0%	0%	Application
	MLA 20721	Kangaroo Creek	0%	0%	Application
	MLA 20722	Martins Terrace	0%	0%	Application
	MLA 20723	Martins Hill	0%	0%	Application
	MLA 100023	Boomerang	0%	0%	Application

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

CONSOLIDATED TIN MINES LIMITED

ABN

57 126 634 606

Quarter ended ("current quarter")

30 September 2015

#### Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>Cash flows related to operating activities</b>			
1.1	Proceeds received on behalf of SPM on the operation of Mt Garnet	16,061	16,061
1.2	Payments for		
	(a) exploration & evaluation	(501)	(501)
	(b) development	-	-
	(c) payments to suppliers on behalf of SPM on the operation of Mt Garnet	(13,949)	(13,949)
	(d) administration	(1,783)	(1,783)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	3	3
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	50	50
<b>Net Operating Cash Flows</b>		(119)	(119)
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets		
1.9	Proceeds from sale of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)	3	3
<b>Net investing cash flows</b>		3	3
1.13	Total operating and investing cash flows (carried forward)	(116)	(116)

+ See chapter 19 for defined terms.



1.13	Total operating and investing cash flows (brought forward)	(116)	(116)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(116)	(116)
1.20	Cash at beginning of quarter/year to date	1,223	1,223
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	1,107	1,107

### Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	1,059
1.24	Aggregate amount of loans to the parties included in item 1.10	-

#### 1.25 Explanation necessary for an understanding of the transactions

- (i) \$386k – Remuneration paid to Directors and associates of the Directors
- (ii) \$ 31k – Office rent and motor vehicle expenses paid to NQ Mining Enterprise Pty Ltd an entity owned by Mr Ralph De Lacey
- (iii) \$ 36k – hire of accommodation for staff, paid to ARM (NQ) Pty Ltd an entity associated with Messers Ralph De Lacey, Martin Cai and Alex Tsoi
- (iv) \$606k – labour hire expenses paid to Workforce One Pty Ltd, an entity associated with Messers Ralph De Lacey, Martin Cai, Alex Tsoi and John Banning

### Non-cash financing and investing activities

#### 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

During the quarter the Company issued 200,000 ordinary fully paid shares at a deemed price of 7 cents per share. The shares were issued as an incentive to nominees of the Company's corporate and investor relations advisers, Validus Corporate Advisory Pty Ltd.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	1,000	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	(162)
4.2 Development	-
4.3 Net cash flow from management of SPM Mt Garnet Operations	2,320
4.4 Administration	(2,332)
<b>Total</b>	<b>(174)</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,107	1,223
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>1,107</b>	<b>1,223</b>

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+ See chapter 19 for defined terms.



## Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	EPM 14580		100%	0%
6.2 Interests in mining tenements and petroleum tenements acquired or increased	Nil			

## Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b> (description)	-	-		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-		
7.3 <b>+Ordinary securities</b>	279,970,521	279,970,521		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	200,000	200,000		
7.5 <b>+Convertible debt securities</b> (description)	-	-		

+ See chapter 19 for defined terms.


## Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -		
7.7	<b>Options</b> (description and conversion factor)	2,200,000 22,489,450	- 22,489,450	Exercise price 40 cents 20 cents	Expiry date 31/12/2015 31/12/2015
7.8	Issued during quarter	-	-		
7.9	Exercised during quarter	-	-		
7.10	Expired during quarter	-	-		
7.11	<b>Debentures</b> (totals only)	-	-		
7.12	<b>Unsecured notes</b> (totals only)	-	-		

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:

  
 .....  
 (Finance Director)

Date: 30 October 2015

Print name: Martin Cai

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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